GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:629
ANSWERED ON:02.03.2007
PAUCITY OF FUNDS FOR PMGSY
Jai Prakash Shri

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Pradhan Mantri Gram Sadak Yojana (PMGSY) being implemented by the Government has failed to deliver the desired results due to paucity of funds; and

(b) if so, the action plan chalked out by the Government to overcome the situation?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI CHANDRA SEKHAR SAHU)

(a)&(b) No, Sir. There is no scarcity of fund for implementation of Pradhan Mantri Gram Sadak Yojana (PMGSY). The PMGSY works being funded by the 50 percent share for rural roads of the cess on High Speed Diesel imposed through the Central Road Fund Act, 2000 (Act 54 of 2000). Additional funds have also been sourced from the World Bank (US$ 399.5 million) and Asian Development Bank (two loans of US $ 400 million & US $750 million each) from 2004-05. Another loan/credit of US $ 500 million is being negotiated with the World Bank. A separate window has also been created under the Rural Infrastructure Development Fund of NABARD for financing the programme.